

Message Text

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ORIGIN ARA-17

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E. O.: 11652, N/ A

TAGS: PFOR

SUBJECT: HOUSE FOREIGN AFFAIRS ACTION ON LATIN AMERICAN
AID

FOR OAS DELEGATION -- BELL FROM WALLACE

ASSOCIATED' S GEORGE GEDDA WROTE THURSDAY HOUSE FOREIGN
AFFAIRS COMMITTEE REJECTED REQUEST FOR FUNDS TO FINANCE
BILATERAL DEVELOPMENT PROGRAMS FOR LATIN AMERICA. ADDED THIS
COMPLICATED TASK US DEL LIMA OAS MEETING.

IN COMMITTEE ACTION PARAGRAPHS 251 REFERRING ALLIANCE FOR
PROGRESS AND 253 UNCHANGED FROM DRAFT BUT PARAGRAPH 252 A
AND B ELIMINATED TO MAKE LEGISLATION CONFORM TO SECTORAL

APPROACH. QUESTION WAS RAISED BY SOME MEMBERS AS TO
INTERPRETATION LATAM COUNTRIES MIGHT PUT ON COMMITTEE ACTION
AND AS FASCELL EXPLAINED TO AVOID SUCH PRESS TREATMENT AS
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GIVEN BY ASSOCIATED PRESS. SEVERAL MEMBERS MADE STRONG STATEMENTS THAT LATIN AMERICANS COULD EXPECT TO RECEIVE AS MUCH ASSISTANCE UNDER THIS APPROACH AS UNDER FORMER REGIONAL APPROACH. COMMITTEE SUBSEQUENTLY DECIDED TO ISSUE PRESS STATEMENT EXPLAINING ACTION. STATEMENT FOLLOWS TEXTUALLY (INFORMATIVELY WIRELESS FILE WILL CARRY):

TITLE: " CONTINUED AID TO LATIN AMERICA ASSURED"

THE HOUSE FOREIGN AFFAIRS COMMITTEE GAVE PUBLIC ASSURANCE THAT A TECHNICAL COMMITTEE ACTION TODAY ON ALLIANCE FOR PROGRESS FUNDS WOULD IN NO WAY AFFECT PROPOSED U. S. ECONOMIC ASSISTANCE TO LATIN AMERICA WHICH IS EXPECTED TO REMAIN AT THE CURRENT LEVEL OF ABOUT DOLS 235 MILLION.

" THE QUESTION OF POSSIBLE PUBLIC MISUNDERSTANDING OF THE COMMITTEE ACTION WAS RAISED AS THE COMMITTEE COMPLETED WORK ON A SUBSTANTIAL PORTION OF ECONOMIC AID PROVISIONS IN PROPOSED FOREIGN ASSISTANCE LEGISLATION FOR FISCAL 1974.

" ONE OF TODAY' S AMENDMENTS, OFFERED BY REP. DONALD M. FRASER (D- MINN.) AND ADOPTED BY A VOTE OF 23 TO 0, STRUCK FROM THE PENDING MORGAN BILL (H. R. 7484) ITS PROVISION TO AUTHORIZE DOLS 15 0, 000, 00 FOR DEVELOPMENT LOANS AND DOLS 86,1 00, 000 FOR TECHNICAL ASSISTANCE FOR LATIN AMERICA EACH IN FISCAL 1974 AND FISCAL 1975. FRASER OFFERED IT AS A LANGUAGE- CONFORMING, NOT AS A FUND- CUTTING, AMENDMENT.

MORGAN SAID:

SUBQUOTE " IN ORDER TO AVOID ANY POSSIBLE PUBLIC MISUNDERSTANDING, AND AT THE REQUEST OF COMMITTEE MEMBERS, I WANT TO MAKE PLAIN THAT THE FRASER AMENDMENT DOES NOT HAVE ANY EFFECT ON THE PROPOSED LEVEL OF U. S. ASSISTANCE UNDER THE ALLIANCE FOR PROGRESS.

SUBQUOTE " THE AMENDMENT MERELY CHANGES THE LANGUAGE IN THAT PART OF MY BILL TO CONFORM WITH THE PREVIOUS COMMITTEE DECISION TO MAKE AN IMPORTANT REFORM IN THE WAY WE ADMINISTER OVERSEAS ECONOMIC ASSISTANCE. UNDER THAT REFORM, FUNDS ARE BEING AUTHORIZED BY ' SECTOR' -- THAT IS, BY CATEGORY OF UNCLASSIFIED

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DEVELOPING COUNTRY PROBLEMS GENERALLY SUCH AS FOOD, EDUCATION, POPULATION PLANNING NEEDS, ETC. -- RATHER THAN ACCORDING TO ANY SPECIFIC COUNTRY OR AREA.

SUBQUOTE " THUS THE AMENDMENT DELETING THE SPECIFIC REFERENCE TO LATIN AMERICAN ASSISTANCE IS ONLY A TECHNICAL ONE NOT IMPOSING ANY FUND CUT BELOW THE ADMINISTRATION' S

REQUEST. AUTHORIZATION FOR BILATERAL ECONOMIC ASSISTANCE GENERALLY, AT THE LEVEL SOUGHT BY THE ADMINISTRATION AND WITHOUT SPECIFIC LINE ITEM REFERENCE TO ANY COUNTRY OR AREA, HAS ALREADY BEEN APPROVED BY THE COMMITTEE IN ITS ACTION TUESDAY IN ADOPTING THE AID REFORM PROPOSAL" END SUBQUOTE.

" THOSE JOINING CHAIRMAN MORGAN IN ISSUING THE PUBLIC ASSURANCE CONCERNING ASSISTANCE FOR LATIN AMERICA INCLUDED FRASER, THE AUTHOR OF THE AMENDMENT, AND REP. DANTE B.

FASCELL (D- FLA), CHAIRMAN OF THE COMMITTEE' S INTER-AMERICAN AFFAIRS SUBCOMMITTEE.

" MORGAN ADDITIONALLY VOICED HOPE THAT THE COMMITTEE WILL COMPLETE ITS DRAFTING OF THE ENTIRE FOREIGN ASSISTANCE AUTHORIZATION MEASURE BY THE END OF NEXT WEEK. HE NOTED TODAY' S ACTIONS INCLUDED:

-- ADOPTION OF AN AMENDMENT BY REP. FASCELL DIRECTING THE PRESIDENT TO SEEK ESTABLISHMENT BY THE UNITED NATIONS ORGANIZATIONS OF A PROFESSIONALLY QUALIFIED GROUP TO CONTINUALLY AUDIT AND EVALUATE THEIR PROGRAMS. THE SAME WOULD APPLY TO THE WORLD BANK AND THE ASIAN DEVELOPMENT BANK. (15- O)

-- REJECTION OF AN ADMINISTRATION- PROPOSED EXPANSION OF THE OVERSEAS PRIVATE INVESTMENT CORP. PROGRAM IN FAVOR OF AN AMENDMENT BY REP. JOHN C. CULVER (D- IOWA) TO CONTINUE OPIC AS IS FOR ANOTHER YEAR PENDING FURTHER STUDY. (25- O)

-- ADOPTION OF AN AMENDMENT BY REP. BUCHANAN TO RAISE TO DOLS 18 MILLION, FROM THE ADMINISTRATION- PROPOSED DOLS 15 MILLION, THE AUTHORIZATION FOR THE U. S. CONTRIBUTIONS TO UNCLASSIFIED

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THE UNITED NATIONS CHILDREN' S FUND ANNUALLY IN FISCAL 1974 AND 1975. (17- O)

-- APPROVED THE ADMINISTRATION REQUEST TO CONTINUE EARMARK-ING DOLS 125 MILLION A YEAR, IN FISCAL 1974 AND 1975, FOR PROGRAMS RELATING TO POPULATION GROWTH.

-- ADOPTION OF AN AMENDMENT BY REP. JOHN H. BUCHANAN, JR. (R- ALA.) TO RAISE TO DOLS 20 MILLION, FROM THE ADMINIS-TRATION REQUEST OF DOLS 10 MILLION, THE AMOUNT AUTHORIZED FOR U. S. ASSISTANCE TO AMERICAN SCHOOLS AND HOSPITALS ABROAD DURING FISCAL 1974 AND AGAIN IN FISCAL 1975. IT WOULD ALSO AUTHORIZE DOLS 7 MILLION IN EXCESS FOREIGN CURRENCIES FOR THIS PURPOSE. (26- O)" END TEXT. ROGERS

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